



**House Ways and Means
Healthcare Subcommittee**

SCDHHS Budget Presentation

January 30, 2018



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1. Slide Presentation
2. List of key agency officials and contact information
3. An update on the use of any increased funding received in FY 17-18 and/or the implementation of new programs initiated in FY 17-18
4. A three year history of General Fund, Federal Fund, and Other Fund expenditures vs. authorization levels
5. A prioritized summary of your agency budget requests for FY 18-19
6. Any back up information related to the specific decision packages
7. Proviso requests

SFY 2018 New General Funds

- Managed care rates had a marginal increase of 0.2% from FY 2017
- Full-benefit membership continues to hold around 1 million, rising slowly but steadily with the growth in managed care
- Growth across several FFS lines including in Community Supports and Community Choices waiver to ensure the elderly in SC stay in home and avoid nursing home admission
- Multiple actions regarding provider rates implemented:
 1. Dental, PRTF, and ASD rates on 7/1/2017
 2. Nursing Home rate increase on 10/1/2017
- Implemented adult vaccines on 7/1/2017 for:
 1. measles, mumps, rubella (MMR)
 2. meningococcal
 3. varicella adult vaccines
- BabyNet transition was effective July 1, 2017
- PDD waiver sunset in December 2017; SCDHHS now responsible for all state match for ASD claims
- Continuing to support South Carolina Telehealth Alliance as funded by MUSC and statewide teaching partnerships and capacity building through MUSC and USC School of Medicine.
- Progress on several procurements relating to RMMIS as seen in schedule below:

Project	Module	Status (Completion)
MMRP	Curam HCR	In Development (Jul 2018)
	Curam CGIS	In Procurement
MES	NoSQL	In Development (Jan 2018)
	ePortal	Operational (Sep 2017)
	MESI	In Procurement
RMMIS	PBA	Operational (Nov 2017)
	BIS	In Development (Dec 2018)
	TPL	In Development (Apr 2018)
	Dental	Vendor Selected
	ASO	Vendor Selected
	Care Call	RFP release Q2 CY 2018
	MVI	Vendor Selected

Three Year History
1/2/2018

Authorization/Appropriation

	FY 2015	FY 2016	FY 2017
General Funds	1,117,643,370	1,136,447,857	1,274,222,433
Other Funds	999,359,644	1,012,853,451	974,142,716
Federal Funds	4,759,278,318	4,872,514,447	5,109,373,254
	6,876,281,332	7,021,815,755	7,357,738,403

Actual Expenditures

	FY 2015	FY 2016	FY 2017
General Funds	1,217,191,073	1,190,887,741	1,274,500,766
Other Funds	837,874,487	874,439,588	869,823,131
Federal Funds	4,671,691,947	4,710,626,658	4,959,607,198
	6,726,757,508	6,775,953,986	7,103,931,095

Variance

	FY 2015	FY 2016	FY 2017
General Funds	(99,547,703)	(54,439,884)	(278,333)
Other Funds	161,485,157	138,413,863	104,319,585
Federal Funds	87,586,371	161,887,789	149,766,056
	149,523,824	245,861,769	253,807,308

BUDGET REQUESTS											
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted
1	B1 - Recurring	Maintenance of Effort Annualization	26,416,551	(7,227,007)	(29,942,473)	17,926,409	7,173,480	0.00	0.00	0.00	0.00
2	B1 - Recurring	Maintain Access to Autism Spectrum Disorder Services	3,848,880	9,423,120	0	0	13,272,000	0.00	0.00	0.00	0.00
3	B2 - Non-Recurring	Medicaid Management Information System	7,741,075	0	0	0	7,741,075	0.00	0.00	0.00	0.00
4	B1 - Recurring	BabyNet Appropriation Transfer from DDSN	11,402,071	0	0	0	11,402,071	0.00	0.00	0.00	0.00
5	B1 - Recurring	DDSN First Slots Appropriation Transfer	(1,368,235)	0	0	0	(1,368,235)	0.00	0.00	0.00	0.00
6	B1 - Recurring	Opioids/Methadone clinics	4,350,000	10,650,000	0	0	15,000,000	0.00	0.00	0.00	0.00
7							0	0.00	0.00	0.00	0.00
8							0	0.00	0.00	0.00	0.00
9							0	0.00	0.00	0.00	0.00
10							0	0.00	0.00	0.00	0.00
11							0	0.00	0.00	0.00	0.00
12							0	0.00	0.00	0.00	0.00
13							0	0.00	0.00	0.00	0.00
14							0	0.00	0.00	0.00	0.00
15							0	0.00	0.00	0.00	0.00
16							0	0.00	0.00	0.00	0.00
17							0	0.00	0.00	0.00	0.00
18							0	0.00	0.00	0.00	0.00
19							0	0.00	0.00	0.00	0.00
20							0	0.00	0.00	0.00	0.00
21							0	0.00	0.00	0.00	0.00
22							0	0.00	0.00	0.00	0.00
23							0	0.00	0.00	0.00	0.00
24							0	0.00	0.00	0.00	0.00
25							0	0.00	0.00	0.00	0.00
26							0	0.00	0.00	0.00	0.00
27							0	0.00	0.00	0.00	0.00
28							0	0.00	0.00	0.00	0.00
29							0	0.00	0.00	0.00	0.00
30							0	0.00	0.00	0.00	0.00
TOTAL BUDGET REQUESTS			52,390,342	12,846,113	(29,942,473)	17,926,409	53,220,391	0.00	0.00	0.00	0.00

MOE Back-up
8/28/2017

	<u>General Funds</u>
Total MOE	26,500,000
Service Lines MOE	
Medicare Premiums	22,000,000
Increase in Hospital Utilization	15,000,000
Moving HOP 2.75% Increase	16,000,000
Nursing Home Rate Increases	12,000,000
Other (slight increase in utilization across lines)	6,800,000
MCO rate Increase less than projected	(29,000,000)
Increased Revenue	(23,000,000)
Slower growth in CLTC	(4,800,000)
	15,000,000
Admin Annualization	
Well Vista	2,500,000
Transportation Implementation	3,600,000
Multiple Other Contracts	3,900,000
	10,000,000
Personnel for RMMIS contract monitoring	1,500,000
	26,500,000

Proviso Requests

Amend four provisos

117.98 – GP: BabyNet Quarterly Reports – Amend

- The requested amendment deletes First Steps to School Readiness as a reporting entity since BabyNet is now within SCDHHS and deletes reference to the reporting template being “developed by agencies” since the template format is already in place.

117.133 – GP: BabyNet – Amend

- The requested change is a technical amendment to update the reporting date.

33.20 – Medicaid Accountability and Quality Improvement Initiative – Amend

- Although this proviso directs a variety of expenditures, it does not provide or specifically identify a source of funding for this work. The proposed revisions to this proviso would reduce expenditures by approximately \$1.1 million (100% state funds) compared to FY 2017-18 levels.

33.24 – SCDHHS: BabyNet Compliance – Amend

- The requested change is a technical amendment to update the reporting date.

Delete

33.25 – SCDHHS: Personal Emergency Response System – Delete

- This proviso was vetoed by the Governor in FY 2018. In the event this veto is overridden by the General Assembly, the agency requests that the proviso be deleted. Passage of this proviso may limit participant choices of providers by limiting the current providers' ability to do business if they do not have the nurse triage capability.
- SCDHHS has reviewed approximately 22 states with similar waivers and found none that currently include nurse triage as part of the personal emergency response system.
- The agency is in process of preparing the waiver pending the final outcome of the veto.